GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5408
ANSWERED ON:22.12.2000
REVIVAL PLAN OF IDBI
SUBODH MOHITE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Industrial Development Bank of India (IDBI) has formulated a plan to revive industries which have suffered losses in export of goods;

(b) if so, the details thereof;

(c) the Industrial sectors whose exports have been adversely affected since 1996-97;

(d) the reasons therefore; and

(e) its impact on performance of these sectors?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (Dr. Raman Singh)

(a) to (e):- A Statement is enclosed.

Statement referred to in reply to parts (a) to (e) of the Lok Sabha Unstarred Q. No. 5408 for answer on 22nd December, 2000

(a) & (b) : Industrial Development Bank of India (IDBI) provides assistance for modernisation including to units having export capability. Wherever required suitable restructuring packages involving grant of reliefs/concessions by way of deferment in interest, reschedulement of repayments, reduction in interest rates etc. are provided to assist units which are considered potentially viable.

(c), (d) & (e) : Details of rate of growth of exports, in US $ terms, since 1996-97 for manufactured goods is given below:

Manufactured goods	1996-97	97-98	98-99	99-2000
Leather footwear	-42.2	-16.5	4.4	1.8
Gems & jewelry	-9.9	12.5	10.4	28.8
Drugs, pharmaceutical & fine chemicals	20.0	19.2	0.3	2.9
Dyes/intermediates & coal tar chemicals	15.5	6.8	-21.0	23.8
Manufacturers of metals	10.5	12.0	5.7	19.5
Machinery and instruments	27.4	13.1	-4.3	0.1
Transport equipment	4.7	-4.1	-21.8	1.4
Primary & semifinished iron and steel	17.1	23.0	-34.2	51.8
Electronic goods	16.9	-3.1	-34.3	12.7
Cotton yarn, fabrics, madeups etc.	21.2	4.6	-15.0	13.2
Readymade garments	2.1	3.3	14.4	11.8
Handicrafts	2.3	5.6	5.3	5.9

The low rate of growth of some of these sectors is due to international factors such as the South East Asian crisis, infrastructural constraints, low unit value realisation etc.. Industrial performance is determined by a number of factors which inter-alia include the domestic and international policy environment, demand conditions at home and abroad, level of infrastructure etc. Export demand does affect the performance of certain sectors but its exact impact cannot be readily isolated and quantified Government of India